



# MOTOR FUELS UPDATE

DEPARTMENT OF REVENUE



Volume 7, Edition 3

Quarterly

July 1997

## MOTOR FUELS TASK FORCE WORKING GROUP

In conjunction with the Motor Fuels Task Force, industry representatives have been meeting to study Nebraska and surrounding states' tax laws. Neighboring states of Iowa, South Dakota, and Wyoming have recently changed their laws to require the supplier to remit the fuel tax when fuel is sold from the "rack" or upon importation. This combined group is working to examine possible advantages and disadvantages of those laws for all affected parties as compared to current Nebraska law.

At this time, no decisions or recommendations have been made. The group is merely reviewing the various options and issues involved. Formal recommendations from this group will have to be submitted as proposed legislation. We will

keep you informed of any recommendations.

Current participants include:

**Robert Anderson**, Nebraska Cooperative Council  
**Mike Barwig**, Chief Ethanol Fuels, Inc.  
**Fred Bosselman, Jr.**, Bosselman Oil  
**Vince Brown**, Nebraska Petroleum Council  
**John Carpenter**, Riteway Oil  
**Clark Conklin**, State Fire Marshal's Office  
**Bud Cuca**, Nebraska Motor Carriers Assoc.  
**Bill Gray**, Sinclair Oil Co.  
**Virgil Jobman**, Jurgen's Oil Co., Inc.  
**Tom Lippencott**, Nebraska-Iowa Supply Co.  
**Steve Malone**, Department of Agriculture

**Jerry Noel**, Wheeler Transport Service, Inc.

**Dale Pitts**, Farmland Industries

**Jay Rempe**, Nebraska Farm Bureau

**John Schulte**, Department of Roads

**Grover Shelts**, Phillips Petroleum

**Steve Sorum**, Ethanol Board

**Janet Stege**, Motor Fuels Division

**Fred Stone**, NE Petroleum Marketers & Convenience Store Assoc.

**Gary Welch**, Attorney General's Office

**Irene Wirt**, Williams Pipeline Co.

If you have any questions about this group, feel free to contact John Schulte, Task Force Chair, at (402) 479-4654 or Janet Stege, Motor Fuels Administrator, at (402) 471-5678.

## REVISION TO THE PETROLEUM RELEASE ACT

The Nebraska Petroleum Release Act was amended by LB 517 by the Ninety-Fifth Legislature, and this bill became effective June 12, 1997. For purposes of this Act, petroleum is defined as:

**1** Motor vehicle fuels, except denatured agricultural ethyl alcohol that is not blended with motor vehicle fuels;

**2** Diesel fuel, including kerosene; and

**3** A fraction of crude oil that is liquid at a temperature of sixty degrees Fahrenheit and a pressure of fourteen and seven-tenths pounds per square inch absolute.

Effective June 12, 1997, the following language is added to number 3:

*"except any such fraction which is regulated as a hazardous substance under section 101(14) of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980."*

If you have questions about a particular product, please contact your account representative or Motor Fuels Taxpayer Assistance.

## REMINDERS!

All current permits to claim a nonhighway gas tax credit, will expire December 31, 1997. Those persons wishing to continue to purchase gasoline that will be part of their nonhighway tax credit must renew their permits no later than January 1, 1998.

Renewal applications for the period January 1, 1998 through December 31, 2000, will be mailed to each current permitholder on or about September 1, 1997.

**To qualify for the credit, the purchaser must maintain a separate and properly marked storage container with a capacity of 40 gallons or more, and make at least one 40-gallon purchase per year. Fuel from the container must be used for nonhighway purposes only. Placing the fuel in a licensed vehicle, regardless if use is for a nonhighway purpose, is prohibited and can result in loss of the tax credits.**

## REMINDERS!

As a retailer, you can provide your customer with assistance by ensuring they have a new permit and that all sales invoices have the following information:

- ✓ **A serial number.** The serial number on the sales invoice cannot be repeated during the calendar year;
- ✓ **Seller's name and address.** This information may be printed or stamped on each invoice;
- ✓ **Purchaser's name and address;**
- ✓ **Permit number of the purchaser.** It is recommended that you obtain a copy of the purchaser's permit for your records. All permit (state identification) numbers have a prefix of 88. The permit will indicate the period the permit is in effect.
- ✓ **Date of purchase;**
- ✓ **Delivery date,** if different from purchase date;
- ✓ **Place of delivery,** if other than purchaser's address;
- ✓ **Number of gallons sold;**

## REMINDERS!

- ✓ **Price per gallon including tax; and**
- ✓ **The words "Nonhighway Use Motor Vehicle Fuels" or "Tax Credit Gasoline" printed or stamped on the invoice.**

All questions should be referred to your account representative.

## REMINDERS!

**MOTOR FUELS TAX RATE CHANGE**  
**The Nebraska motor fuels tax rate for the third quarter of 1997 (July 1 through September 30, 1997) is 24.8 cents per gallon.**

### FOR MOTOR FUELS TAXPAYER ASSISTANCE

Call your account representative or toll free 1-800-554-FUEL (1-800-554-3835). Lincoln residents call 471-5730. For \*TT (Text Telephone), dial 1-800-382-9309.

\*Telecommunication Device for the Deaf (TDD) is designated by the use of "TT," which is consistent with the Americans with Disabilities Act.

### OR CONTACT:

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**If you have received a duplicate mailing or would like to subscribe, please call 1-800-554-3835**

Published Quarterly by the  
Motor Fuels Division  
P.O. Box 98904  
Lincoln, NE 68509-8904



P.O. Box 98904  
Lincoln, Nebraska 68509-8904

Bulk Rate  
U.S. POSTAGE  
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